

LN 586

COPY 1 OF 6

3 April 1959

Subject: Revised Budget Estimates; Fiscal Year 1959

Reference: (a) DPD-1007-59, 10 Feb. 1959; Request for Budget Forecasts
(b) LN 526, 17 Feb. 1959; Budget Estimates Fiscal Year 1959

Dear Sir:

Pursuant to your request (reference (a)) Contractor submits herewith revised budget estimates for the fiscal year ending 30 June 1959.

I. Contractor Technical Representatives

Contract OS-100, Customer No. 1

Contractor submitted formal redetermination proposal on 20 February 1959. The final estimate of funds required remains unchanged from the reference (b) estimate.

Contract OS-500, Customer No. 1

No change.

Contract HTR-88, Customer No. 2

The support level is to be reduced to a level of two (2) Field Service Engineers during the first week of April 1959. The estimate is, therefore, reduced by the amount required to support one Field Service Engineer for a period of three (3) months. It is now estimated that a total amount of \$66,500 will be required to support this operation through 30 June 1959.

II. Spare Parts

Contract HF-CT-696, Customer No. 1

The estimate for this period is unchanged. Contractor estimates that a total amount of \$42,000 will be required.

Contract HF-CT-696, Customer No. 2

Contractor estimates that the total amount required will amount to \$87,500 as funded.

III. Maintenance and Overhaul Activity

Contract BC-450

The total amount of funds required is approximately the same as previously estimated, however, a greater percentage of work has been done for Customer No. 1 than was previously anticipated. Detail of the present funding status and our estimates through 30 June are as follows:

	<u>Customer No. 1</u>	<u>Customer No. 2</u>	<u>Total</u>
Total Funds Available, Fiscal Year 1959	<u>\$225,000.</u>	<u>\$225,000.</u>	<u>\$450,000.</u>
Total Funds Used 7-1-58 thru 2-28-59	197,000.	182,000.	379,000.
Estimated Funds Required 3-1-59 thru 6-30-59	<u>88,400.</u>	<u>80,100.</u>	<u>168,500.</u>
Total Funds Required	<u>\$285,400.</u>	<u>\$262,100.</u>	<u>\$547,500.</u>
Additional Funds Required Fiscal Year 1959	<u>\$ 60,400.</u>	<u>\$ 37,100.</u>	<u>\$ 97,500.</u>

*Program approved
c. H. L. - 262
9 April 59*

IV. For your convenience a summary of funding requirements is presented by contract and by customer:

	<u>Funded</u>	<u>Estimated Funds Required</u>	<u>Additional Funds Required or in Excess*</u>
Contract HF-CT-696			
Fiscal Year 1959			
Customer No. 1	\$ 67,500.	\$ 42,000.	
Customer No. 2	87,500.	87,500.	
Contract OS-100			
Fiscal Year 1958	572,927.	560,000.	12,927.*
Fiscal Year 1959	285,000.	220,100.	64,900.*
Contract OS-500			
Fiscal Year 1959	218,000.	218,000.	-0-
Contract HTR-88			
Fiscal Year 1959	50,000.	66,500.	16,500.

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*changed to \$23,000 credit by 15 June 59
\$ 25,500.*
-0-
amended 4-17-59 CT-696*

amended BC-450

	<u>Funded</u>	<u>Estimated Funds Required</u>	<u>Additional Funds Required or in Excess*</u>
Contract BC-450			
Fiscal Year 1958			
Customer No. 1	\$148,140.	\$146,540.	\$ 1,600.*
Customer No. 2	161,377.	149,777.	11,600.*
Fiscal Year 1959			
Customer No. 1	225,000.	285,400.	60,400.
Customer No. 2	225,000.	262,100.	37,100.
Total Fiscal Year 1958			
Customer No. 1	721,067.	706,540.	14,527.*
Customer No. 2	161,377.	149,777.	11,600.*
Total Fiscal Year 1959			
Customer No. 1	795,500.	765,500.	30,000.*
Customer No. 2	362,500.	416,100.	53,600.*

Please give us a call if you should have any questions concerning these estimates.

Very truly yours,

HYCON MFG. COMPANY


Vice President, Engineering

HRE/pe

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